



RESEARCH

SUMMER 2011 EUROPEAN

Market Indicators

Knight Frank

EUROPEAN RENTAL CYCLES

Offices



Logistics



Shopping centres



The Knight Frank wave depicts the current position of selected European centres with respect to their local prime rental cycle. As demand swells relative to supply and rents rise, centres move towards the crest of the wave. As demand ebbs and rental levels weaken, centres start to move down the wave towards the trough. Some markets will ride the wave more quickly than others. Similarly, some markets will tread water for periods of time or move only gently through the wave.



Market monitor – Summer 2011

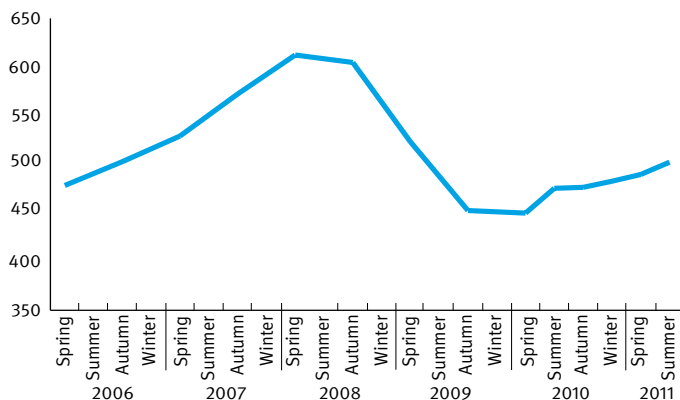
City	Offices		Logistics		Shopping centres		Retail warehousing	
	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)	Prime rents (€/sq m/yr)	Prime yields (%)
Amsterdam	340 ▶	5.75 ▼	58 ▶	7.25 ▶	1,000 ▶	5.75 ▶	135 ▶	7.00 ▶
Barcelona	222 ▼	6.00 ▶	78 ▶	7.75 ▶	528 ▶	6.50 ▶	168 ▶	6.75 ▶
Brussels	310 ▶	6.00 ▶	45 ▶	7.00 ▶	1,250 ▶	5.50 ▶	170 ▶	6.50 ▶
Bucharest	192 ▶	8.50 ▶	48 ▶	10.50 ▶	810 ▶	9.00 ▶	96 ▶	10.00 ▶
Budapest	240 ▶	7.50 ▶	54 ▶	9.00 ▶	900 ▶	7.00 ▶	102 ▶	8.00 ▶
Copenhagen	235 ▶	5.25 ▶	67 ▶	7.25 ▶	645 ▶	6.00 ▶	150 ▶	7.00 ▶
Dublin	376 ▶	7.25 ▲	75 ▼	9.00 ▲	3,750* ▼	7.75 ▲	100 ▼	8.25 ▲
Edinburgh	333 ▶	6.00 ▶	88 ▶	6.75 ▶	2,160* ▶	5.75 ▶	368 ▶	5.50 ▶
Frankfurt	432 ▲	5.00 ▼	72 ▲	7.00 ▼	1,800 ▶	5.25 ▶	108 ▶	6.75 ▼
Geneva	700 ▶	5.00 ▶	130 ▶	6.50 ▶	1,100 ▲	5.25 ▶	300 ▶	5.75 ▶
Helsinki	336 ▲	5.50 ▼	108 ▲	7.25 ▶	1,250 ▶	5.75 ▶	150 ▶	6.75 ▶
Kiev	283 ▶	12.00 ▶	50 ▶	12.00 ▶	768 ▶	13.00 ▶	N/A	N/A
Lisbon	228 ▼	7.00 ▲	60 ▶	8.00 ▶	900 ▶	7.25 ▶	96 ▶	7.75 ▶
London	1,111(WE) ▲ / 679(C) ▶	4.00(WE) ▶ / 5.25(C) ▶	148 ▶	6.25 ▶	5,556* ▶	5.25 ▼	494 ▶	5.25 ▶
Madrid	330 ▼	5.75 ▶	72 ▶	7.75 ▶	540 ▶	6.50 ▶	168 ▶	6.75 ▶
Milan	525 ▶	5.00 ▼	55 ▶	7.50 ▶	750 ▶	6.25 ▶	150 ▶	7.25 ▶
Moscow	768 ▲	9.50 ▶	89 ▲	12.00 ▶	1,990 ▲	10.50 ▶	N/A	N/A
Munich	360 ▲	4.50 ▶	78 ▶	7.00 ▶	1,800 ▶	5.25 ▶	144 ▶	6.50 ▼
Oslo	439 ▲	5.25 ▶	129 ▲	6.75 ▶	1,000 ▶	6.00 ▶	135 ▶	6.50 ▶
Paris	780 ▲	4.75 ▼	52 ▶	7.00 ▶	2,000 ▶	4.75 ▶	180 ▶	6.00 ▶
Prague	246 ▶	6.75 ▶	51 ▲	8.00 ▼	840 ▶	6.75 ▶	144 ▶	7.25 ▶
Stockholm	494 ▲	5.00 ▼	112 ▲	6.75 ▼	800 ▶	5.25 ▼	190 ▶	6.00 ▼
Vienna	294 ▶	5.25 ▶	72 ▶	7.25 ▶	1,080 ▶	6.00 ▶	156 ▶	6.50 ▶
Warsaw	288 ▶	6.50 ▼	66 ▶	7.75 ▼	1,020 ▶	6.50 ▼	96 ▶	7.50 ▼
Zurich	625 ▶	5.00 ▶	150 ▶	6.50 ▶	950 ▶	5.25 ▶	300 ▶	5.75 ▶

Indicative prime yields, as quoted locally, based upon a hypothetical Grade A unit. Office rents are for prime city area Grade A space, 2,000 sq m. Shopping Centre rents are based on prime covered shopping malls, quoted on best position, 100 sq m units. Retail Warehouse rents are for units of 15,000 sq m located in purpose built parks. Typical Retail Warehouse schemes vary between countries. Logistics rents are for prime industrial space of units over 5,000 sq m. The data above is provided for general reference purposes only. Local market conditions will vary. *Zoned/weighted figure. Arrows provide a broad indication of recent movements and the short-term outlook for prime rents and yields. London office data is quoted for the West End (WE) and City (C) submarkets.

Figure 1

European weighted average prime office rent

€ per sq m per annum

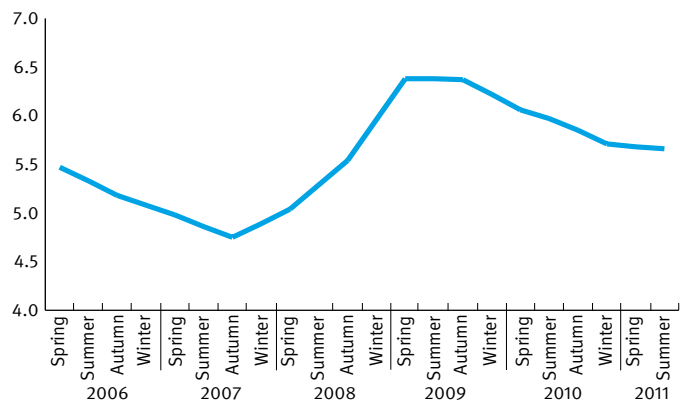


Source: Knight Frank

Figure 2

European weighted average prime office yield

%



Source: Knight Frank

Figures 1 & 2 show averages of prime office rents and yields in the cities covered by this report, with markets weighted according to size and market maturity.

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